

Amendment No. 2 to SB1840

Briggs  
Signature of Sponsor

**AMEND Senate Bill No. 1840**

**House Bill No. 1675\***

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 5, Chapter 5, Part 1, is amended by adding the following as a new section:

(a) A county legislative body may impose an impact fee on development in the county pursuant to this section.

(b) The county legislative body shall set the initial amount of impact fees at a rate not to exceed three dollars (\$3.00) per square foot of floor area in the development.

(c) After imposing or increasing an impact fee under this section, a county legislative body shall not increase the rate of the impact fee for a period of at least four (4) years from the effective date of the resolution that imposed or increased the impact fee. After such period, a county legislative body shall not increase the rate of the impact fee by a percentage that is greater than ten percent (10%).

(d) The county legislative body shall earmark the revenues from the impact fee to pay the costs of construction or renovation of schools, public facilities, and other related infrastructure.

(e) A county legislative body that desires to impose or increase an impact fee shall approve the resolution by a two-thirds (2/3) vote of the legislative body at two (2) regular meetings held at least ninety (90) days apart. The resolution considered at the second meeting must be identical to the resolution considered at the first meeting.

(f) The county legislative body shall provide an opportunity for public comment at an open meeting held no less than thirty (30) days and no more than sixty (60) days after the initial approval of the resolution.

(g) This section only applies to a county with a population of not less than one hundred thousand nine hundred (100,900) and not more than one hundred one thousand (101,000), according to the 2020 federal census or a subsequent federal census.

(h) As used in this section:

(1) "Development" means the construction, building, erection, or improvement to land by providing a new building or structure that provides floor area for residential use; and

(2) "Impact fee" means a monetary charge to regulate development on real property.

SECTION 2. Tennessee Code Annotated, Section 67-4-2913, is amended by deleting the language "no county shall be authorized to enact an impact fee on development" and substituting instead "a county shall not enact an impact fee on development, except as provided in Section 1,".

SECTION 3. This act takes effect July 1, 2022, the public welfare requiring it.